AMENDED IN ASSEMBLY APRIL 15, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 710

Introduced by Assembly Member Skinner

February 17, 2011

An act to add Article 2 (commencing with Section 65200) to Chapter 3 of Division 1 of Title 7 of the Government Code, and to amend Section 75125 of the Public Resources Code, relating to local planning.

LEGISLATIVE COUNSEL'S DIGEST

AB 710, as amended, Skinner. Local planning: infill and transit-oriented development.

(1) The Planning and Zoning Law requires specified regional transportation planning agencies to prepare and adopt a regional transportation plan directed at achieving a coordinated and balanced regional transportation system, and requires the regional transportation plan to include, among other things, a sustainable communities strategy, for the purpose of using local planning to reduce greenhouse gas emissions.

This bill would state the findings and declarations of the Legislature with respect to parking requirements and infill and transit-oriented development, and would state the intent of the Legislature to reduce unnecessary government regulation and to reduce the cost of development by eliminating excessive minimum parking requirements for infill and transit-oriented development.

This bill would also prohibit a city or county from requiring-more a minimum parking standard greater than one parking space per residential unit and more than one parking space per 1,000 square feet of commercial or other nonresidential space for a residential or

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mixed-use residential project located in a transit intensive area, as defined, or subject to an adopted downtown area plan, an adopted neighborhood plan, or an adopted redevelopment project area 1,000 square feet of nonresidential improvements and one parking space per unit of residential improvements for any new development project in transit intensive areas, as defined.

(2) Existing law sets forth the duties of the Strategic Growth Council, including the duty to recommend policies and investment strategies and priorities to the Governor, the Legislature, and to appropriate agencies to encourage the development of sustainable communities, as described.

This bill would modify the description of sustainable communities to additionally include communities that incentivize infill development.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- SECTION 1. This article shall be known and may be cited as the Infill Development and Sustainable Community Act of 2011.
- 3 SEC. 2. (a) The Legislature finds and declares all of the 4 following:
 - (1) Existing parking requirements are based on low density and single land uses.
 - (2) Parking is costly to build and maintain and can increase the cost of infill projects by 10 to 20 percent. The high cost of land, construction, and maintenance to provide parking adds significantly to the cost of transit-oriented development, making sites financially infeasible and hindering economic development strategies.
 - (3) Increases in public transportation options and the development of more walkable and bikeable neighborhoods reduce the demand for parking.
 - (4) Excessive governmental parking requirements for infill and transit-oriented development reduce the viability of transit by limiting the number of households or workers near transit, increasing walking distances, and degrading the pedestrian environment.
- 20 (5) Reducing excessive minimum parking requirements for infill 21 and transit-oriented development and allowing builders and the 22 market to decide how much parking is needed can do all of the 23 following:

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- (A) Ensure sufficient amounts of parking at almost all times.
- (B) Significantly reduce the cost of development and increase housing affordability.
- (C) Increase density in areas with the most housing demand, and facilitate compact development and the attainment of environmental goals.
- (b) It is the intent of the Legislature to reduce unnecessary government regulation and to reduce the cost of development by eliminating excessive minimum parking requirements for infill and transit-oriented development.
- SEC. 3. Article 2 (commencing with Section 65200) is added to Chapter 3 of Division 1 of Title 7 of the Government Code, to read:

Article 2. Infill Development and Sustainable Community Act of 2011

- 65200. (a) A city, county, or city and county, including a charter city, shall not require more than one parking space per residential unit and more than one parking space per 1,000 square feet of commercial or other nonresidential space for a residential or mixed-use residential project located in a transit intensive area, or subject to an adopted downtown area plan, an adopted neighborhood plan, or an adopted redevelopment project area.
- (b) For the purposes of this section, "transit intensive area" means a central business district, an area within one-half mile of a major transit stop, as defined in subdivision (b) of Section 21155 of the Public Resources Code, and an area within one-quarter mile of a high-quality transit corridor, as defined in subdivision (b) of Section 21155 of the Public Resources Code. charter city, shall not require a minimum parking standard greater than one parking space per thousand square feet of nonresidential improvements and one parking space per unit of residential improvements for any new development project, including changes of use that incorporate existing building improvements in transit intensive areas.
- (b) This section shall not apply unless the proposed project and immediately adjoining properties are designated for development or redevelopment at a floor area ratio of 0.75 or above.

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(c) For the purposes of this section, "transit intensive area" means an area as defined by paragraph (3) of subdivision (b) of Section 21155 of the Public Resources Code.

- (d) A city, county, or city and county, including a charter city, may require higher minimum parking standards for new development other than those established pursuant to subdivision (a) if it makes written findings based upon substantial evidence in the record, including a parking utilization study completed within the last 24 months, that shows existing publicly available parking that includes all publicly owned on-street and off-street spaces and privately owned off-street spaces accessible to the general public, within one-quarter of a mile of the project site, but excluding any spaces on exclusively residential streets, have a peak occupancy that exceeds 85 percent at any point during the study period.
- SEC. 4. Section 75125 of the Public Resources Code is amended to read:
 - 75125. The council shall do all of the following:
- (a) Identify and review activities and funding programs of member state agencies that may be coordinated to improve air and water quality, improve natural resource protection, increase the availability of affordable housing, improve transportation, meet the goals of the California Global Warming Solutions Act of 2006 (Division 25.5 (commencing with Section 38500) of the Health and Safety Code), encourage sustainable land use planning, and revitalize urban and community centers in a sustainable manner. At a minimum, the council shall review and comment on the five-year infrastructure plan developed pursuant to Article 2 (commencing with Section 13100) of Chapter 2 of Part 3 of Division 3 of the Government Code and the State Environmental Goals and Policy Report developed pursuant to Section 65041 of the Government Code.
- (b) Recommend policies and investment strategies and priorities to the Governor, the Legislature, and to appropriate state agencies to encourage the development of sustainable communities, such as those communities that promote equity, strengthen the economy, protect the environment, incentivize infill development, and promote public health and safety, consistent with subdivisions (a) and (c) of Section 75065.

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(c) Provide, fund, and distribute data and information to local governments and regional agencies that will assist in developing and planning sustainable communities.

- (d) Manage and award grants and loans to support the planning and development of sustainable communities, pursuant to Sections 75127, 75128, and 75129. To implement this subdivision, the council may do all of the following:
- (1) Develop guidelines for awarding financial assistance, including criteria for eligibility and additional consideration.
- (2) Develop criteria for determining the amount of financial assistance to be awarded. The council shall award a revolving loan to an applicant for a planning project, unless the council determines that the applicant lacks the fiscal capacity to carry out the project without a grant. The council may establish criteria that would allow the applicant to illustrate an ongoing commitment of financial resources to ensure the completion of the proposed plan or project.
- (3) Provide for payments of interest on loans made pursuant to this article. The rate of interest shall not exceed the rate earned by the Pooled Money Investment Board.
- (4) Provide for the time period for repaying a loan made pursuant to this article.
- (5) Provide for the recovery of funds from an applicant that fails to complete the project for which financial assistance was awarded. The council shall direct the Controller to recover funds by any available means.
 - (6) Provide technical assistance for application preparation.
- (7) Designate a state agency or department to administer technical and financial assistance programs for the disbursing of grants and loans to support the planning and development of sustainable communities, pursuant to Sections 75127, 75128, and 75129.
- (e) No later than July 1, 2010, and every year thereafter, provide a report to the Legislature that shall include, but is not limited to, all of the following:
 - (1) A list of applicants for financial assistance.
 - (2) Identification of which applications were approved.
- 37 (3) The amounts awarded for each approved application.
 - (4) The remaining balance of available funds.
- 39 (5) A report on the proposed or ongoing management of each 40 funded project.

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- (6) Any additional minimum requirements and priorities for a project or plan proposed in a grant or loan application developed and adopted by the council pursuant to subdivision (c) of Section 1

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